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Carley adds a partner to bolster spire deal

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Since first revealing his alliance with architect **Santiago Calatrava** for a spired, 124-story building on the lakefront about a year ago, developer **Christopher Carley** has encountered plenty of skeptics. He's poised this week to strike a deal that will quiet some of them.

On Thursday, Carley is due to close on the acquisition of the property involved in the project. A source close to the situation said the land in the 400 block of East North Water Street, at its intersection with Lake Shore Drive, will sell for more than \$60 million.

To close on the land, Carley has taken on a partner. The source said it is **Shelbourne Development Ltd.**, based in Dublin, Ireland. The company has completed residential and commercial projects in Ireland, Great Britain and France.

Shelbourne's executive chairman is **Garrett Kelleher**, who, according to the company Web site, set up shop in Chicago in the 1980s to do loft conversions before returning to his native Ireland about 10 years later.

Terms of the partnership could not be learned, but the source said Carley will continue with day-to-day oversight of the project. "Shelbourne has a very large development group with deep strength in construction management," the source said.

It's possible Shelbourne could be a conduit for European investors. Carley, chairman of **Fordham Co.**, has reported that about 20 percent of sales inquiries for what he's calling the Fordham Spire has come from overseas.

Reached Tuesday, Carley declined to comment. Plans call for the building to have 300 residential condominiums and 150 hotel units, some of which also may be sold. He has estimated the project's cost at \$600 million, but materials costs are escalating quickly, and some experts believe Calatrava's unique, seemingly twirling design will be prohibitively expensive to build.

Carley is negotiating with hotel operators and project financiers. The source said **Walsh Construction** will be his general contractor and that the real estate firm **Jones Lang La Salle Inc.** is representing the project to lenders.

If completed as planned, the building would be the tallest in the United States but is not expected to be taller than the Burj Dubai office building under construction in the United Arab Emirates. The height of that **Skidmore, Owings & Merrill LLP** design is a state secret.

MANDARIN COMBAT: The U.S. Environmental Protection Agency said it's been trying to gain access to the future site of the **Mandarin Oriental** hotel at the northwest corner of Lake and Stetson. The EPA wants to check for thorium, a radioactive material that has turned up in Streeterville construction sites and in the Lakeshore East project. But the developers have denied access to the agency for about a year, said its spokesman, **Mick Hans**, and on-site coordinator **Verneta Simon**.

Construction magnate **Gerard Kenny** is president of the development firm that controls the site. Kenny said he has his own consultant checking for thorium and wants to present the findings to the EPA before opening the site to its inspection. So far, no thorium has turned up, Kenny said.

A spokesman for the city's Buildings Department said city agencies are trying to ensure the EPA gets access. The proposed 65-story **Mandarin**, while warmly praised by Mayor Daley, has yet to pass city planning review.

Thorium is no threat to most people, but could pose a hazard to construction crews. It has been traced to a manufacturer of far terns in Streeterville during the early 20th century.

BUILDING ON BUILDERS: White Sox Chairman **Jerry Reinsdorf** and **Robert Judelson**, who used to be the "J" in the old **JMB Realty Corp.**, are opening a third fund for their venture, the Fund for Builders LP. It buys model homes from developers, then sells them when the project is complete to cash in on appreciation. In about a year and a half, it has invested more than \$40 million with six builders.

Also, Reinsdorf named his son, David, as the firm's vice president of asset management. A former LaSalle National Bank executive, David has more than 20 years' experience in residential construction and finance. **Tim Lyons**, formerly of **Grubb & Ellis Co.** and **Balcor Co.**, was named chief financial officer.

CALENDAR NOTE : Here's a community-organizing idea others should try. The Streeterville Organization of Active Residents gathers Saturday with an aldermanic aide to walk the neighborhood and write down where public improvements are needed. They should note the missing street signs. SOAR will gather for breakfast at Max & Benny's 332 E. Illinois, and head out at 9 a.m.

DOING THE DEALS: **Trammell Crow Co.** arranged the \$6 million sale of a 106,000-square-foot building at 1200 Business Center Dr., Mount Prospect. The tenant, **Northfield Laboratories**, bought it from **First Industrial Realty Trust Inc.**

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